GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:3395
ANSWERED ON:24.03.2005
MODERNISATION OF BHRAT BHARI UDYOG NIGAM LTD.
Barman Shri Hiten;Bose Shri Subrata

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the current status of Bharat Bhari Udyog Nigam Ltd.;

(b) the details of profit/loss position for the last three years;

(c) whether the Government has any plan for modernising the Bhrat Bhari Udyog Nigam Ltd.;

(d) if so, the details thereof; and

(e) the funds allocated/proposed to be allocated for the modernization of the said company?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) Bharat Bhari Udyog Nigam Ltd. (BBUNL), Kolkata is a holding company comprising the following subsidiaries:-

- Burn Standard Co. Ltd. (BSCL), Kolkata
- Braithwaite & Co. Ltd. (BCL), Kolkata
- Bhrat Wagons & Engineering Company Ltd. (BWEL), Patna and
- Braithwaite, Burn & Jessop Construction Co. Ltd. (BBJ), Kolkata.

But for BBJ, which is a construction company, all other companies, which are mainly engaged in manufacture of Railway Rolling Stock, are sick and have been referred to Board for Industrial and Financial Reconstruction (BIFR).

(b) Net Profit/(Loss) before TAX and Dividend for BBUNL Group of companies during the last three years are as under:-

(Rupees in crore)

Year	2001-02	2002-03	2003-04
Profit/(Loss)	(249.80)	(224.11)	(253.27)

(c), (d) and (e) Government have taken an in principle decision to explore the possibility of revival including modernization of the four operating units of BBUNL referred to in reply to part (a) above after obtaining advice and recommendations of the Board for Reconstruction of Public Sector Enterprises (BRPSE). BRPSE has already recommended the restructuring of BBJ which involves conversion of Rs.13.88 crore loan into equity conversion of Rs.10 crore loan into zero rate debentures and waiver of Rs.30.73 crore relating to interest/penal interest.